



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses

Sacramento, CA – Small, non-farm businesses in 57 Texas counties (plus neighboring counties in Oklahoma) may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). These disaster loans offset economic losses because of reduced revenues to farmers and ranchers caused by the drought, that occurred in the following 11 primary Texas counties beginning January 1, 2006, announced Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West.

Primary Texas Counties:

Bee	Blanco	Clay	Delta	Dewitt	Hood
Jack	Navarro	Palo Pinto	Somervell	Tom Green	

Contiguous Texas Counties:

Archer	Bosque	Burnet	Coke	Comal	Concho
Eastland	Ellis	Erath	Fannin	Franklin	Freestone
Gillespie	Goliad	Gonzales	Hays	Henderson	Hill
Hopkins	Hunt	Irion	Johnson	Karnes	Kendall
Lamar	Lavaca	Limestone	Live Oak	Llano	Menard
Montague	Parker	Reagan	Red River	Refugio	Runnels
San Patricio	Schleicher	Stephens	Sterling	Travis	Victoria
Wichita	Wilson	Wise	Young		

Neighboring Oklahoma Counties:

Cotton	Jefferson
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Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. "Eligibility for these working capital loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared this disaster at the request of Governor Rick Perry.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration. However, in drought disasters nurseries are eligible for SBA disaster assistance.

For information and application forms, call toll-free (800) 659-2955, or visit SBA's website at www.sba.gov/disaster. Hearing impaired individuals may call (800) 877-8339.

The deadline to apply for these loans is **May 29, 2007**.